Form (2)

Sr No. 5519-Y

Dated. 28.5.2014

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Permit No. 724 / 2014 Date 28 May 2014

This Permit is issued by the Myanmar Investment Commission according to the section 13, sub - section (b) of the Republic of the Union of Myanmar Foreign Investment Law:-

(a) Name of Investor/Promoter MR. JIANLIN FEI

(b) Citizenship CHINESE

(c) Address 1- F, ROOM 1806, JIANGHAI MING YUAN CHONGCHUAN DISTRICT, NANTONG, CHINA

(d) Name and Address of principle organization -

(e) Place of incorporation -

(f) Type of business in which investment is to be made MANUFACTURING OF GARMENTS ON CMP BASIS

(g) Place(s) at which investment is PLOT NO.133, MYAY TAING BLOCK NO. 25, SHWE LIN PAN INDUSTRIAL ZONE, HLAING THAR YAR TOWNSHIP, YANGON REGION

(h) Amount of foreign capital US$ 0.6 MILLION

(i) Period for bringing in foreign capital WITHIN TWO YEARS FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) KYAT 788.00 MILLION (INCLUDING US$ 0.6 MILLION)

(k) Construction period ONE YEAR

(l) Permitted duration of investment 15 YEARS

(m) Form of investment JOINT VENTURE

(n) Name of Company incorporated in Myanmar HOLLY MYANMAR GARMENTS CO., LTD.

Chairman

The Myanmar Investment Commission

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်
ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၇၂၄/၂၀၁၄   ၂၀၁၄ ခုနှစ်၊ မေလ ၂၁ ရက်

ပြည်ထောင်စုသမ္မတ မြန်မာနိုင်ငံတော်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၃ ပုဒ်မခွဲ (ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ကမကထပြုသူ၏အမည် MR. JIANLIN FEI

(ခ) နိုင်ငံသား CHINESE

(ဂ) နေရပ်လိပ်စာ 1- F, ROOM 1806, JIANGHAI MING YUAN CHONGCHUAN DISTRICT, NANTONG, CHINA

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့် လိပ်စာ -

(င) ဖွဲ့စည်းရာအရပ် -

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား CMP စနစ်ဖြင့် အထည်ချုပ်လုပ်ခြင်း လုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) မြေကွက်အမှတ်(၁၃၃)၊ မြေတိုင်းရပ်ကွက် အမှတ် (၂၅)၊ ရွှေလင်ပန်းစက်မှုဇုန်၊ လှိုင်သာယာမြို့နယ်၊ ရန်ကုန်တိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း ပမာဏ အမေရိကန်ဒေါ်လာ ၀.၆ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ခွင့်ပြုမိန့်ရရှိသည့်နေ့မှ (၂)နှစ် အတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) ကျပ် ၇၈၈.၀၀ သန်း (အမေရိကန်ဒေါ်လာ ၀.၆ သန်း အပါအဝင်)

(ဋ) တည်ဆောက်မှုကာလ ၁ နှစ်

(ဌ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၁၅ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ဖက်စပ်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် HOLLY MYANMAR GARMENTS CO., LTD.

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

THE REPUBLIC OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

Building No.(32), Nay Pyi Taw

Republic of the Union of Myanmar Sr No. Dated. Myanmar Investment Commission

Our ref : DICA-1/FI-948/2014 (5519-Y)
Date : 28 May, 2014

Tel: 067- 406334,406075
Fax: 95-67-406333

Subject: **Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing of Garments on CMP basis " under the name of "Holly Myanmar Garments Co., Ltd."**

Reference: Holly Myanmar Garments Co., Ltd. Letter dated (14-1-2014)

1. The Myanmar Investment Commission, at its meeting (11/2014) held on (29-3-2014) had approved the proposal for investment in "Manufacturing of Garments on CMP basis" under the name of "Holly Myanmar Garments Co., Ltd." submitted as a joint venture between Mr. Jianlin Fei 80% from the People's Republic of China and U Lee Ho Kwai 20% from the Republic of the Union of Myanmar.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to the Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 15 (fifteen) years. The Land Lease term is initial 10 (ten) years and extended and renewable for another period 5 (five) years approved by Myanmar Investment Commission from the date of signing of the Lease Agreement for Land and Building by mutual agreement between Holly Myanmar Garments Co., Ltd. and U Lin Soe Linn @ U Soe Linn.

4. The annual rent for the land and building shall be Kyats 76,800,000.00 only calculated at the rate of kyats 11,229.00 (equivalent to US$ 11.40) per square meter per year of the land measuring 6,839.1934 square meter (1.69acres). At the expiry of the lease period, Holly Myanmar Garments Co., Ltd. (Lessee) shall transfer land and property to the Lessor.

5. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs asper Chapter XII, section 27(a),(h),(i) and (k) of the Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual

performance of the project;

(a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial operation;

(b) As per section 27(h), exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instruments, machinery components, spare parts and materials used in the business which are imported as they are actually required for useduring the period of construction of business;

(c) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section 27(k), exemption or relief from commercial tax on the goods produced for export.

6. Holly Myanmar Garments Co., Ltd. shall have to sign the Land and Building Lease Agreement with U Lin Soe Linn @ U Soe Linn. Mr.Jianlin Fei shall have to sign the Joint Venture Agreement with U Lee Ho Kwai. After signing such Agreements, each of (5) copies shall have to be forwarded to the Commission.

7. Holly Myanmar Garments Co., Ltd. in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

8. Holly Myanmar Garments Co., Ltd. shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit" it shall become null and void.

9. Holly Myanmar Garments Co., Ltd. has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules extension of construction period shall not be allowed more than one except it is due to unavoidable

events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency, and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if the Holly Myanmar Garments Co., Ltd. cannot construct completely in time during the construction period or extension period, the Commission will have to withdraw the permit issued to the investor and there is no refund for the expenses of the project.

12. The commercial date of operation shall be reported to the Commission.

13. Holly Myanmar Garments Co., Ltd. shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal in accordance with Chapter XI, section 24 and section 25 of the Foreign Investment Law and Holly Myanmar Garments Co., Ltd. has to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and definedunder Chapter XVI, Rule 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section 2(i) of the Foreign Investment Law, other than foreign currency.

16. Holly Myanmar Garments Co., Ltd. brings in foreign capital defined under Chapter I, section 2(i) of the Foreign Investment Law, other than foreign currency in the manner stated in paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Holly Myanmar Garments Co., Ltd. has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the State and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule145 of the Foreign Investment Rules.

18. Holly Myanmar Garments Co., Ltd. shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Holly Myanmar Garments Co., Ltd. shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted, and to perform activities in accordance with this EMP and to abide by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

20. Holly Myanmar Garments Co., Ltd. shall contribute 1% of the annual net profit for Corporate Social Responsibility (CSR) activities in Myanmar.

21. After getting permit from Myanmar Investment Commission, Holly Myanmar Garments Co., Ltd. shall have to be registered at the Directorate of Industrial Supervision and Inspection.

22. Holly Myanmar Garments Co., Ltd. shall have to abide by the Fire Services Department's rules, regulation directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire extinguishers and provide training to use the fire fighting equipment.

23. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall be made from export earning (CMP charges) and local sale in Kyat / US$ of Holly Myanmar Garments Co., Ltd.

24. Holly Myanmar Garments Co., Ltd. in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

Win Shein

(Win Shein)
Chairman

Holly Myanmar Garments Co., Ltd.

cc: 1. Office of theUnion Governmentof the Republicof the Unionof Myanmar
2. Office of the Yangon Region Government
3. Ministry of National Planning and Economic Development
4. Ministry of Finance
5. Ministry of Commerce
6. Ministry of Industry
7. Ministry of Foreign Affairs
8. Ministry of Home Affairs
9. Ministry of Immigration and Population
10. Ministry of Labour, Employment and Social Security
11. Ministry of Environmental Conservation and Forestry
12. Ministry of Electric Power
13. Director General,Directorate of Investment and Company Administration
14. Director General, Directorate of Human Settlement and Housing Development
15. Chairman, CMP Enterprise Supervision Committee
16. Director General, Directorate of Industrial Supervision and Inspection
17. Director General, Customs Department
18. Director General, Internal Revenue Department